

# **CORRECTED FISCAL NOTE**

## **SB 2706 – HB 2723**

March 27, 2008

**SUMMARY OF BILL:** Increases the fine from \$150 to \$200 and no less than five (5) hours of community service work for unauthorized parking in disabled person's designated parking space. Requires only new designating signs, posted after July 1, 2008, to indicate that unauthorized or improperly parked vehicles may be towed and the driver fined \$200.

### **ESTIMATED FISCAL IMPACT:**

On January 25, 2008, we issued a fiscal note for this bill indicating an *increase to state revenue of \$57,000 per year, an increase of local revenue of \$3,000 per year, and an increase to local expenditures of \$10,000 per year.* The preparer of the original fiscal note erroneously omitted an assumption taking indigence into account. As a result, the fiscal impact of this bill is estimated as follows:

#### **(CORRECTED)**

**Increase State Revenue - \$42,700**

**Increase Local Revenue - \$2,300**

**Increase Local Expenditures\* - \$10,000**

#### Assumptions:

- This bill specifies that the removal of existing signs designating parking spaces as disabled parking spaces do not have to be removed or altered.
- The Department of Safety estimates approximately 1,200 violations per year (or approximately one per county per month).
- Local governments receive five percent commission of violation revenue.
- Twenty-five percent will not pay fines due to indigence.
- The increase of violation revenue is estimated to be \$45,000 (1,200 violations x \$50 increase x 75% = \$45,000) per year.
- The increase to local government revenue is estimated to be \$2,300 (\$45,000 x 5% = \$2,250) per year.
- The net increase to state revenue is estimated to be \$42,700 (\$45,000 - \$2,300 local share = \$42,700) per year.

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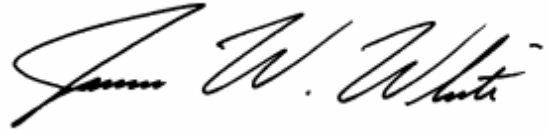
**CORRECTED**

- Local governments would have to administer and monitor the mandated community service work. Given only an average of one violation per county per month, the increase to local government expenditures is estimated to be \$10,000 per year.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc